

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND

In re
Phillip Howard Collector
Debtor

Bankruptcy No.:
05-4-2339-DK
Chapter 11

U.S.TRUSTEE'S OBJECTIONS TO APPROVAL OF DEBTOR'S PROPOSED DISCLOSURE
STATEMENT

The U.S.Trustee objects to approval of the Debtor's proposed disclosure statement, as failing to meet the standard of adequate information contained in 11 U.S.C. Sec.1125. In particular, the U.S.Trustee states:

1. Debtor's proposed disclosure statement is devoid of financial data and analysis of debtor's ability to repay his tax debts. This is because, although his income is discussed, that income is from wholly-owned businesses which are barely described, and for which virtually no information is provided. As controlling member of Intercoastal Investment Trust Ltd., (as well as at least two other entities debtor has testified are without assets), Mr. Collector controls the amount of his compensation. There is no disclosure of the finances of Intercoastal, and so no means for creditors to discern whether Mr. Collector should be receiving greater compensation, upon which a greater and faster payment on his huge and flagrant tax delinquencies should be expected.
2. There is, further, no definition of the term "all living expenses", a deduction made in defining "Net Revenue (or Disposable Income)" (see Plan section 1.25, Page 5 of Plan). Without understanding the amount and nature of Mr. Collector's living expenses, it is impossible for creditors to determine whether his view of his Disposable Income is fair and reasonable.
3. Likewise, by failing to disclose Intercoastal's finances, it is impossible to determine whether this wholly-owned business pays for personal expenses of Mr. Collector, which ought to be considered compensation.
4. The failure to provide these items of information renders the disclosure statement insufficient, and it therefore should be disapproved.

W. CLARKSON MCDOW, JR.

UNITED STATES TRUSTEE
REGION FOUR

Date: February 21, 2006

By: /s/Edmund A. Goldberg
Attorney for U.S.Trustee, bar no. 08943
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Certificate of Service

I hereby certify that on February 21, 2006, I caused a copy of the foregoing objection to be mailed by first-class mail, postage prepaid, to Marc R. Kivitz, Esq., attorney for the debtor, 201 N. Charles Street, Suite 1330, Baltimore, MD 21201, and to Bradley Plovan, Esq., Office of District Counsel, Internal Revenue Service, 31 Hopkins Plaza, Baltimore, MD 21201.

/s/Edmund A. Goldberg